

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION

JESSICA HODGES, et al.)
Plaintiffs,) Case Number: 4:22-cv-00067-RSB-CLR
vs.)
CHATHAM COUNTY, GEORGIA, et al.)
Defendants.)

EXHIBIT 26

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF LOUISIANA

MARIA OLGA ZAVALA CIVIL DOCKET NO.
Plaintiff 3:17-CV-00656-JWD-EWD

VERSUS JUDGE: John W. deGravelles

CITY OF BATON ROUGE/PARISH MAG: Erin Wilder-Doomes
EAST BATON ROUGE, ET AL

Defendants

(30) (b) (6) DEPOSITION OF CORRECTHEALTH
EAST BATON ROUGE, LLC and CORRECTHEALTH, through
it's designated representative, CARLO MUSSO,
M.D., and also CARLO MUSSO, M.D., individually,
in the above-entitled cause, pursuant to the
following stipulation, before Raynel E. Schule,
Certified Shorthand Reporter in and for the
State of Louisiana, at the Law Offices of
Messrs. Wanek, Kirsch, Davies, LLC, 1340 Poydras
Street, Suite 2000, New Orleans, Louisiana,
70112, commencing at 1:00 o'clock p.m., on
Monday, the 30th day of September, 2019.

1 Q. Who was the other individual who was
2 working as a consultant but not a full-time
3 employee of Georgia Correctional Health
4 prior to the -- prior to October of 2000?

5 A. A gentleman by the name of Bob Spann.

6 Q. And where was Mr. Spann located?

7 A. In Atlanta, and he worked at -- at Pinnacle
8 with -- with me.

9 Q. Did he have any ownership interest in
10 Georgia Correctional Health?

11 A. No.

12 Q. Does he have any ownership interest in
13 CorrectHealth?

14 A. No.

15 Q. Do you have any professional association
16 with Mr. Spann anymore?

17 A. No.

18 Q. When did that professional association end?

19 A. 2004ish, maybe plus or minus one year. I
20 don't know exactly but.

21 Q. What was the corporate structure of Georgia
22 Correctional Health?

23 A. It was a LLC.

24 Q. Did you have a hundred-percent ownership in
25 Georgia Correctional Health?

1 A. Yes.

2 Q. Do you have a hundred-percent ownership in
3 CorrectHealth?

4 A. Yes.

5 Q. Have you ever always had a hundred-percent
6 ownership in CorrectHealth?

7 A. Yes.

8 Q. Did Georgia Correctional Health change its
9 name to CorrectHealth or was a new
10 corporate entity formed somewhere along the
11 way?

12 A. Changed its name.

13 Q. When did that occur?

14 A. Somewhere between 2003 and 2005 maybe. I
15 don't know exactly when, but it was three
16 to four, maybe five years after we started
17 Georgia Correctional Health.

18 Q. CorrectHealth is a Georgia corporation. Is
19 that correct?

20 A. Yes.

21 Q. It's not incorporated in any other state?

22 A. No.

23 Q. What states is CorrectHealth licensed to do
24 business in?

25 A. Georgia and Louisiana.

1 Q. Has CorrectHealth done business in any
2 other states from October of 2000 to
3 present than Georgia and Louisiana?

4 A. We briefly operated in Kentucky and
5 Tennessee.

6 Q. When was that?

7 A. I don't know when we started, but it would
8 have been around 2010 maybe through 2015.

9 Q. Which of the two states, Kentucky or
10 Tennessee are we referring to now?

11 A. Both of them.

12 Q. Okay. So let me just be very specific with
13 my question. When was CorrectHealth doing
14 business in Kentucky?

15 A. Around 2010 to 2000 maybe '16, '15, '16.

16 Q. What about Tennessee?

17 A. About the same, maybe through -- maybe
18 through '17.

19 Q. Why does CorrectHealth no longer do
20 business in Kentucky?

21 A. Our business in both of those states were
22 primarily very small jails, and it became a
23 challenge for us to be successful there
24 from a business perspective, and so the few
25 contracts we had there at various points in

1 renewal, we just chose to not renew and --
2 and exit those states.

3 Q. What was challenging from a business
4 perspective about conducting or having
5 contracts in Kentucky and Tennessee?

6 A. They were just too small to support enough
7 of our corporate -- the corporate and
8 company time to -- to manage them, and it
9 just wasn't -- and it wasn't worth our
10 while to continue them there. There were
11 other companies that were providing
12 services to smaller jails, and we could
13 never develop enough economies of scale to
14 be successful. So it was just a pure
15 business decision.

16 Q. And when you say, "a pure business
17 decision," I mean, I take it to mean that
18 you weren't making enough money off of
19 those contracts to make it worth your while
20 to continue there, correct?

21 A. Correct, we weren't supporting corporate
22 overhead so.

23 Q. Were you actually losing money on those
24 contracts?

25 A. I don't know. They were not supporting the

1 corporate overhead.

2 Q. What does it mean to be -- unpack that
3 phrase for me, "were not supporting the
4 corporate overhead." What does that mean?

5 A. That means, you know, just like this
6 office, you know, there's -- there's rent
7 and utilities to pay and salaries to pay
8 for, and each -- each facility needs to pay
9 its share of -- of that rent and salaries,
10 and we were not able to do that in those
11 two states, and so we exited the states.

12 Q. So CorrectHealth is -- is headquartered in
13 Buckhead, correct?

14 A. In Atlanta, yes.

15 Q. Okay, but specifically in Buckhead, right?

16 A. It is.

17 Q. The 3300 block of Peachtree Street?

18 A. Peachtree Road.

19 Q. I had dinner at St. Cecelia's last night.

20 How far was I from corporate headquarters?

21 A. Not far. Pretty close.

22 Q. And so you're saying that -- that each
23 facility is supposed to carry a certain
24 amount of the cost of the --

25 A. Huh-huh.

1 Q. -- of the corporate headquarters there in
2 Buckhead?

3 A. Huh-huh.

4 Q. Is that a yes?

5 A. Yes.

6 Q. And that these facilities in Kentucky and
7 Tennessee just weren't pulling their
8 weight?

9 A. That -- that's a fair statement.

10 Q. And so you elected not to continue to hold
11 those contracts?

12 A. That is correct.

13 Q. How many people work at the corporate
14 headquarters in Buckhead?

15 A. About 20, 20 to 25 maybe.

16 Q. I want to get some sort of an idea from you
17 of the corporate structure.

18 A. Sure.

19 Q. Perhaps it's easiest to work from the top,
20 which I gather would be you --

21 A. Yeah.

22 Q. -- and then on down, correct?

23 MR. KIRSCH:

24 And -- and let's be clear because
25 we're doing a combined depo.

1 MR. CLAIBORNE:

2 Right.

3 MR. KIRSCH:

4 I'm assuming when you talk about
5 CorrectHealth EBR, you're going to say
6 EBR, because otherwise when you're
7 asking for corporate structure --

8 MR. CLAIBORNE:

9 Thank you.

10 MR. WANEK:

11 -- I don't want to get this mixed
12 up.

13 MR. CLAIBORNE:

14 Sure.

15 MR. KIRSCH:

16 Right now you've been talking to
17 him as an individual --

18 MR. CLAIBORNE:

19 Talking about --

20 MR. KIRSCH:

21 -- talking about CorrectHealth in
22 Georgia and things in that regard, and
23 so I want to make sure it's clear that
24 when we start going into the other
25 companies. I'm not objecting a lot

1 just because --

2 MR. CLAIBORNE:

3 No, I understand.

4 MR. KIRSCH:

5 -- you're doing the individual,
6 and I appreciate you doing them both at
7 the same time, but I think we're going
8 to have be clear what corporate
9 structure you're talking about, so on
10 and so forth.

11 BY MR. CLAIBORNE:

12 Q. Well, why don't we start with CorrectHealth
13 EBR, and then we'll shift to CorrectHealth
14 generally. When was CorrectHealth EBR, and
15 by that I mean CorrectHealth East Baton
16 Rouge, LLC --

17 A. Huh-huh.

18 Q. -- when was that entity formed?

19 A. I think towards the end of 2016. I don't
20 know exactly when, but the end of 2016,
21 possibly January of 2017, but it would have
22 been right around the beginning of our
23 services in Baton Rouge.

24 Q. And why was that company created?

25 A. For the purposes of providing services to

1 Baton Rouge.

2 Q. Why couldn't that have just been done by
3 CorrectHealth? Why was a new company
4 needed?

5 A. That's the organizational structure, the
6 contracts that we sign in facilities are
7 operated in LLCs for that contract.

8 Q. So CorrectHealth provides services also in,
9 say, Chatham County, Georgia, correct?

10 A. Yes.

11 Q. Is there a separate LLC that is called
12 CorrectHealth Chatham County, LLC or
13 something of the like?

14 A. There is.

15 Q. So for each and every contract that
16 CorrectHealth holds, a separate LLC is
17 created? I want to just get an idea of how
18 this works.

19 A. That is correct with few exceptions to
20 that.

21 Q. Who owns CorrectHealth East Baton Rouge,
22 LLC?

23 A. A corporation called Triage Holding.

24 Q. All right. Let me ask you this question,
25 is there any corporate entity underneath

1 CorrectHealth EBR or that's owned by
2 CorrectHealth EBR?

3 A. No, there's not.

4 Q. So if I start at CorrectHealth EBR and go
5 up, I'm not going to miss anything,
6 correct?

7 A. No.

8 Q. All right. So CorrectHealth EBR, let's
9 call it CEBR, is owned by Triage?

10 A. Yes.

11 Q. And what's Triage's full name again?

12 A. Triage Holding, Inc. It's a S Corp.

13 Q. And who owns Triage Holding, Inc.?

14 A. I do.

15 Q. So that's just straight over to Carlo
16 Musso?

17 A. Well, there is a trust involved between --
18 I am the trustee and beneficiary of the
19 trust.

20 Q. What's the name of the trust?

21 A. You would ask me that. Musso Triage 2016
22 Trust I think is the name. I may be off a
23 little bit.

24 Q. All right. It sounds like it's something
25 close we can -- we can keep working through

1 and if there's any clarification --

2 A. Yes.

3 Q. -- needed, I -- certainly your attorney --

4 A. I'm pretty sure that's -- that's the name
5 of our trust.

6 Q. Okay, and you are both the beneficiary and
7 the settlor of that trust?

8 A. I am the trust -- trustee and the
9 beneficiary, yes.

10 Q. You are the one who created the trust?

11 A. I am.

12 Q. Georgia trusts are funny like that. You
13 can be the settlor and beneficiary of the
14 trust. Is there any entity that owns Musso
15 Triage 2016 Trust?

16 A. (Witness shakes head.)

17 Q. No?

18 A. No. No.

19 Q. How does CorrectHealth fit in if at all
20 with Musso Triage 2016 Trust?

21 A. What do you mean CorrectHealth?

22 Q. Well, where on this chart if I go from
23 CorrectHealth EBR up to Triage Holding, and
24 then Triage Holding goes over to Musso
25 Triage 2016 Trust, what is CorrectHealth

1 owned by or where -- where does it go on
2 this chart?

3 A. CorrectHealth is a family of companies that
4 is -- that are all owned by Triage Holding.

5 Q. So does CorrectHealth fit in between Triage
6 Holding and CorrectHealth EBR or is it just
7 a sister company to CorrectHealth EBR?

8 A. CorrectHealth is a family of companies.
9 It's a group of companies.

10 Q. Okay. Well, I'll --

11 A. All owned by Triage Holding.

12 Q. All right. Well, I just put CorrectHealth
13 over here, and now tell me all the names --

14 A. There's no CorrectHealth Inc. if that's
15 what you're getting at. So there's no --
16 Triage Holding would be the parent company
17 for all the CorrectHealth companies, and
18 each contract is held within a different
19 CorrectHealth company.

20 Q. So CorrectHealth Chatham County would also
21 go directly underneath Triage Holding,
22 correct?

23 A. That is correct, yes.

24 Q. As would the other contracts that are held
25 -- that are held by CorrectHealth in

1 different LLCs?

2 A. That is -- that is correct.

3 Q. Does CorrectHealth directly hold any
4 contracts with any facilities?

5 A. It would be in a subsidiary -- it would be
6 CorrectHealth -- it would be a subsidiary
7 of Triage Holding. It would be CorrectHealth,
8 and then typically the county, the name of
9 the county following CorrectHealth is -- is
10 the conformity that we adopted.

11 MR. CLAIBORNE:

12 Okay. Let's go off the record a
13 few seconds.

14 (Off the record.)

15 BY MR. CLAIBORNE:

16 Q. Does Triage Holding, Incorporated own
17 CorrectHealth?

18 A. CorrectHealth, LLC, is --

19 Q. Yes.

20 A. -- is that the question?

21 Q. Yes.

22 A. Yes.

23 Q. And CorrectHealth --

24 A. Triage Holdings is -- owns CorrectHealth,
25 LLC.

1 Q. What are the assets of CorrectHealth, LLC?

2 A. CorrectHealth LLC, oh, gosh, I'd have to --
3 I'd have to get a list of assets.

4 CorrectHealth, LLC has assets primarily in
5 our office in Atlanta. That would be a
6 generalization. The assets, like, the
7 furniture and computers and software and
8 assets in -- in our office in Atlanta are
9 contained in CorrectHealth, LLC.

10 Q. Who is employed by CorrectHealth, LLC?

11 A. Most of the employees in CorrectHealth that
12 work for all the CorrectHealth entities are
13 employed by CorrectHealth, LLC.

14 Q. Is that the 20 to 25 people in Buckhead or
15 is it more than that that are employed by
16 CorrectHealth, LLC?

17 A. More than that.

18 Q. Who works for --

19 A. Let me make it easy for you.

20 CorrectHealth, LCC contracts with
21 CorrectHealth East Baton Rouge to provide
22 the employees of -- to provide the
23 employees that work at the jail through a
24 servicing agreement, okay, or an employee
25 leasing agreement if you will, if you

1 understand what I mean by that.

2 Q. So if there were 20 LPNs that were working
3 at the Baton Rouge facility, they're
4 actually employees of CorrectHealth, LLC?

5 A. That is correct.

6 Q. And then CorrectHealth EBR pays
7 CorrectHealth, LLC for those employees?

8 A. That is correct.

9 Q. Does CorrectHealth East Baton Rouge employ
10 anyone?

11 A. No.

12 Q. So CorrectHealth East Baton Rouge takes in
13 money from the Parish of East Baton Rouge,
14 correct?

15 A. Yes.

16 Q. And then that money is used, some of it to
17 pay employees that are -- or to pay
18 CorrectHealth for employees that are
19 employed by CorrectHealth, LLC?

20 A. Yes.

21 Q. Okay. So let's get it at from this
22 direction then. The money that comes into
23 Correct -- CorrectHealth East Baton Rouge,
24 I want to know the different places that it
25 goes. One of the streams of that money

1 goes to CorrectHealth, LLC for employees,
2 correct?

3 A. Huh-huh, that is, yes.

4 Q. Okay. Where else does money go from
5 CorrectHealth East Baton Rouge, LLC?

6 A. To Triage Holding. There's only two places
7 it can go, those two places.

8 Q. Well, it could go to a third-party vendor
9 like a pharmacy to pay for the drugs or
10 something like that?

11 A. It could, yes, but it does not.

12 Q. So money goes to CorrectHealth, LLC and to
13 Triage Holding, and that's it out of
14 CorrectHealth East Baton Rouge, LLC?

15 A. Most of the money gets swept up into
16 CorrectHealth to be used on behalf of East
17 -- CorrectHealth East Baton Rouge to
18 provide the services of the contract.

19 Q. So how do we determine what money goes to
20 Triage versus what money goes to
21 CorrectHealth, LLC?

22 A. Well, you've got to be more specific in
23 your question. I don't -- I don't know
24 exactly what you're asking.

25 Q. Well, how do you -- how do you determine

1 whether a dollar is going to be transferred
2 to CorrectHealth, LLC versus transferred to
3 Triage Holding?

4 A. The money is -- is -- is -- is swept
5 into CorrectHealth, LLC to be utilized for
6 the services in CorrectHealth East Baton
7 Rouge, unless it's not needed and stays in
8 CorrectHealth East Baton Rouge.

9 Q. And is it then the profit that goes up to
10 Triage Holding?

11 A. If could be, yes.

12 Q. It could be?

13 A. It could -- it could stay in the -- it
14 could stay in the sub, subsidiary company,
15 which would be CorrectHealth East Baton
16 Rouge or it could be taken as profit into
17 Triage Holding.

18 Q. Are a hundred percent of the dollars that
19 are moved from CorrectHealth East Baton
20 Rouge to Triage Holding profit dollars or
21 is money ever transferred to Triage LL --
22 Triage Holding for any other purpose from
23 CorrectHealth East Baton Rouge?

24 A. It could be.

25 Q. Has it ever been?

1 A. I don't know the answer to that.

2 Q. Well, what would it be if it were not
3 profit, and it were transferred to Triage
4 Holding?

5 A. An unusual expense for example.

6 Q. Like what?

7 A. Something unusual that's not part of the
8 ordinary course of activity, and if I had
9 to guess, a piece of equipment or some
10 software we needed or some other unusual
11 expense. I don't know the -- how to answer
12 that other than an unusual expense. Most
13 of the common, usual, and ordinary budgeted
14 expenses are paid for through
15 CorrectHealth, LLC on behalf of
16 CorrectHealth East Baton Rouge.

17 Q. Does CorrectHealth, LLC ever transfer money
18 up to Triage Holding?

19 A. Yes.

20 Q. And what dollars are transferred up from
21 CorrectHealth, LLC to Triage Holding?

22 A. Profit and/or other expenses that Triage
23 would have.

24 Q. Like what?

25 A. Or CorrectHealth would have.

1 Q. Like -- like what for those other expenses?

2 I understand profit. What are the other
3 expenses we're talking about?

4 A. Triage does have employees, and
5 CorrectHealth would pay the expenses of
6 some of those employees via our management
7 fee -- a management fee agreement.

8 Q. Who are the employees of Triage Holding?

9 A. It has about 15 or 20 or so employees of
10 Triage Holding.

11 Q. Who are they? What do they do?

12 A. I am an employee of Triage Holding. There
13 are corporate personnel that are employed
14 by Triage Holding that provide services for
15 all of CorrectHealth companies.

16 Q. Is that the folks that are employed in
17 Buckhead?

18 A. Some of them.

19 Q. Who has control over moving funds or
20 authorizing the movement of funds from
21 CorrectHealth East Baton Rouge up to Triage
22 Holding? Are you the one who makes that
23 decision?

24 A. Can be.

25 Q. So you have that authority?

1 A. I do.

2 Q. Who else has that authority, if anybody?

3 A. Anybody in our Finance Department would
4 have.

5 Q. Okay. Who's -- who's that? Who's employed
6 in the Finance Department?

7 A. It could be someone in Treasury Services or
8 accounting.

9 Q. How many individuals are we talking about?

10 A. Maybe three.

11 Q. What are their names and job titles?

12 A. Sure. Joseph Jumca.

13 Q. Spell that last name for me.

14 A. J-u-m-c-a; Aaron Minnifield, he's Director
15 of Operations and is over finance. It
16 would be those two, and maybe one or the
17 other accountants, but they would do it in
18 concert with Joseph and myself and/or
19 Aaron.

20 Q. Is it accurate to say that you are aware of
21 all of the transfers that have moved --
22 where money has moved from CorrectHealth
23 East Baton Rouge up to Triage Holding from
24 January 1 of 2017 to present? You've been
25 aware of them as they've occurred?

1 A. I would say yes.

2 Q. What unusual expenses --

3 A. Maybe not every specific transfer, but
4 certainly in summary.

5 Q. What unusual expenses or non-profit
6 expenses or transfers have occurred from
7 CorrectHealth East Baton Rouge to Triage
8 Holding from January 1 of '17 to present?

9 A. I'd have to -- I'd have to research it. I
10 don't -- I don't have one off the top of my
11 head that comes up that would not be paid
12 for by CorrectHealth through our servicing
13 agreement between CorrectHealth and
14 CorrectHealth East Baton Rouge. That --
15 that agreement accounts for the majority of
16 all the expenses that occur in
17 CorrectHealth East Baton Rouge in that --
18 in that agreement.

19 Q. And what does that agreement between
20 CorrectHealth East Baton Rouge and
21 CorrectHealth, LLC, what is it -- is it
22 written?

23 A. Yes.

24 Q. What does it say?

25 A. It is a servicing agreement that lists the

1 services that CorrectHealth, LLC will
2 provide on behalf of CorrectHealth East
3 Baton Rouge.

4 Q. Such as?

5 A. Such as employee payroll expenses,
6 accounting, HR services.

7 Q. Does the money that's spent on supplies,
8 pharmaceuticals, other items such as that
9 that are used in East Baton Rouge Parish
10 Prison paid for by CorrectHealth, LLC?

11 A. Yes.

12 Q. Are there any expenses that are paid by
13 CorrectHealth East Baton Rouge, LLC on
14 behalf of the East Baton Rouge Parish
15 Prison that do not go through
16 CorrectHealth, LLC?

17 A. It would be very unusual, but I would -- I
18 don't know if it's one hundred percent all
19 of them, but I would say close.

20 Q. Can you think of any expense to run or to
21 provide medical services at the East Baton
22 Rouge Parish Prison that has been paid
23 directly by CorrectHealth East Baton Rouge
24 from January 1 of 2017, to present?

25 A. Without looking in a check registry or --

1 I'd -- I'd have to research that. I can't
2 think of one, but there could have been
3 one.

4 Q. But as we sit here right now, you cannot
5 think of a single one?

6 A. No.

7 Q. Other than the 15 or so employees that we
8 were discussing, what are the expenses of
9 Triage Holding, Incorporated?

10 A. Triage owns some software that would --
11 that is used in CorrectHealth. Triage pays
12 the lease on that office. So that would be
13 another example of an expense that Triage
14 has and owns.

15 Q. Do you or any company affiliated with you
16 own the office space?

17 A. No.

18 Q. That's a totally separate third party?

19 A. Yes, we lease -- we lease that -- we lease
20 that space.

21 Q. From whom?

22 A. Ooh, Lincoln Property something or other.
23 That's our landlord.

24 Q. Does any member of your family or any close
25 associate of yours have any ownership

1 interest in Lincoln?

2 A. No.

3 Q. Okay. So we've got employees, software,
4 rent that are paid by Triage Holding,
5 Incorporated, correct?

6 A. Maybe some supplies, costs that Triage
7 would have. Those are the big ones.

8 Q. And if Triage has a profit at the end of
9 the year, it gets transferred over to the
10 Musso Triage 2016 Trust?

11 A. It can.

12 Q. You are one of the 15 employees of Triage
13 Holding, Incorporated?

14 A. Yes.

15 Q. So another thing that could happen to that
16 money would be that it would be paid to you
17 as an employee of Triage Holding,
18 Incorporated, that profit?

19 A. No.

20 Q. Do you draw a salary from Triage Holding,
21 Incorporated?

22 A. I do.

23 Q. Does the profit of Triage Holding,
24 Incorporated go anywhere else other than to
25 the Musso Triage 2016 Trust?

1 A. No.

2 Q. And you're the sole beneficiary of the
3 Musso 2016 Trust?

4 A. Yes.

5 Q. I'll ask this question broadly, and if your
6 attorney doesn't like the way that I've
7 asked it, he and I can wrestle around with
8 a better way to ask it. I'm just going to
9 try to be a little bit broad here and
10 simply ask, is there anyone that owns,
11 ultimately owns any of these corporate
12 entities that we've talked about or share
13 any of these corporate entities we've
14 talked about other than Carlo Musso or do
15 you basically own all of these entities
16 that we've been talking about?

17 MR. KIRSCH:

18 And I'm going to object to form
19 because he has already testified about
20 the structure and which companies own
21 which. I think -- from my perspective,
22 I think that would kind of
23 mischaracterize.

24 MR. CLAIBORNE:

25 I'm just trying to figure out if

1 it all traces back to him or if it's
2 some other --

3 MR. KIRSCH:

4 I mean, you can ask him who owns
5 the ultimate company at the end of the
6 day, but he would -- it would be
7 inaccurate to ask him if he just told
8 you -- and I'm not trying to do
9 speaking objection, but you asked my
10 input.

11 MR. CLAIBORNE:

12 I don't mind.

13 MR. KIRSCH:

14 If he -- if he has already told
15 you CHEBR is -- is owned by Triage,
16 then I don't think you can say that he
17 owns it. You're asking him to
18 contradict his testimony.

19 MR. CLAIBORNE:

20 Well, I guess I'm asking
21 ultimately if it all traces back to him
22 as a sole owner of this family of
23 companies.

24 MR. KIRSCH:

25 So he can -- he can answer to the

1 best of his ability as to what he owns
2 a hundred percent, and then you can do
3 the tracing from there.

4 BY MR. CLAIBORNE:

5 Q. Do you understand the question I'm asking
6 you? Do you understand it?

7 A. Yeah, I'm contemplating your answer, and
8 the answer is it's all owned by Triage, and
9 Triage is owned by a trust, and that's the
10 answer.

11 Q. And we just clarified a second ago that
12 you're the sole beneficiary of that trust?

13 A. I think that's -- that was my answer, yes.

14 Q. And you're the only one who created that
15 trust? There's nobody else who has put
16 anything into that trust other than you?

17 A. I am the sole trustee and beneficiary of
18 that trust.

19 Q. And is there anyone or any entity that has
20 contributed anything to the Musso 2000 --
21 Musso Triage 2016 Trust other than you?

22 A. I don't know what you mean by,
23 "contributed."

24 Q. Well, let's say you and your wife owned a
25 house, and you --

1 A. Huh-huh.

2 Q. -- and you -- and I see you have a wedding
3 ring on, so I presume that you have a
4 spouse?

5 A. I do.

6 Q. Okay. So -- so let's just say
7 hypothetically that the two of you-all,
8 whoever your spouse is, you-all -- you-all
9 own a house. In theory, you could put that
10 house into a trust, so therefore you and
11 your wife as joint owners of the trust
12 would have both contributed something to
13 the trust.

14 A. I don't know the answer to your question,
15 because I don't know the answer to that.

16 Q. Okay.

17 A. Other than -- and I'm being honest. I
18 don't know the answer, and I don't want to
19 give you an answer that is factually
20 incorrect and all -- and all truth so --

21 Q. As I understand it, we've got the Musso
22 Triage 2016 Trust, which a hundred percent
23 owns Triage Holding, Incorporated, correct?

24 A. Yes.

25 Q. And then underneath Triage Holding, we have

1 CorrectHealth, LLC and then all of these
2 other entities that have been created for
3 the purpose of managing certain contracts,
4 correct?

5 A. That is correct.

6 Q. Are there any other entities under Triage
7 Holding that we have not covered as we're
8 sitting here right now?

9 A. There's a real estate company in Triage.

10 Q. All right. What's the name of the real
11 estate company?

12 A. Youmans Holding.

13 Q. Spell that for me.

14 A. Y-o-u-m-a-n-s Holding, LLC.

15 Q. All right. What other -- we'll set that
16 aside for just a second. What other
17 entities are owned by Triage Holding?

18 A. A company called Event Medical Services and
19 another company called Rainbow Medical
20 Associates.

21 Q. What else?

22 A. And all the other entities are
23 CorrectHealth-related entities.

24 Q. What does Event Medical Services do?

25 A. Event Medical Services provides first aid

1 and health care consulting to the
2 hospitality industry.

3 Q. Are there any incorporated entities
4 underneath Event Medical Services?

5 A. No.

6 Q. Where does Event Medical Services do
7 business?

8 A. It doesn't do business. Well, that's not
9 true. It provides some consulting services
10 to the Super Bowl.

11 Q. The Super Bowl wherever -- wherever it's
12 located?

13 A. Yes.

14 Q. What other entities does Event Medical
15 Services provide consulting to?

16 A. That's all.

17 Q. What does Rainbow Medical Associates do?

18 A. Rainbow Medical Associates provides health
19 care services to children shelters.

20 Q. Where?

21 A. To the Rainbow House in Clayton County, and
22 it provides some forensic medical services,
23 but -- and most of those are forensic
24 children sexual assault examinations, for
25 example. It takes care of children in

1 child advocacy centers.

2 Q. Is all of that in Georgia?

3 A. Yes.

4 Q. Are there employees of Rainbow Medical
5 Associates?

6 A. And -- and I think it dormant now or hasn't
7 had any activity in it for the last two or
8 three years.

9 Q. So there are no current employees of
10 Rainbow Medical Associates?

11 A. No.

12 Q. What about -- what about Event Medical
13 Services, are there any active employees?

14 A. There's no active employees.

15 Q. Who provides the consulting services? Is
16 that you?

17 A. No. Others.

18 Q. Who?

19 A. John Ritter, who's -- he's a paramedic, and
20 two, three physicians that consult for the
21 Super Bowl.

22 Q. Are there any corporate entities that are
23 underneath Rainbow Medical Associates?

24 A. No.

25 Q. Are there any corporate entities that are

1 underneath the real estate holding company,
2 Youmans Holding, LLC?

3 A. No.

4 Q. What does Youmans Holding, LLC do?

5 A. It owns real estate.

6 Q. Where?

7 A. In Atlanta, and I think it owns a house in
8 Connecticut.

9 Q. Does it own residential real estate,
10 commercial real estate?

11 A. Residential.

12 Q. How many houses in Georgia does Youmans
13 have?

14 A. One.

15 Q. Is that your personal residence?

16 A. It is.

17 Q. And the one in Connecticut, is that also
18 owned by you? Well, I guess it's owned by
19 Youmans, but --

20 A. Yes, it's owned by Youmans.

21 Q. Okay. Does anybody else use that house in
22 Connecticut other than you?

23 A. It's leased, yes.

24 Q. To whom is it leased?

25 A. I don't know, but a family member.

1 Q. Does Triage Holding, Incorporated -- no,
2 pardon me. That's what we just covered,
3 all the entities under Triage Holding,
4 Incorporated.

5 A. Yes.

6 Q. The Musso Triage 2016 Trust, does it have
7 any entities that it directly owns other
8 than Triage Holding?

9 A. Yes.

10 Q. What does it have?

11 A. A company called Correct Life.

12 Q. Okay.

13 A. And a company called Solum, S-o-l-u-m,
14 Inc., both incorporated, both S Corps.

15 Q. What does Correct Life, Incorporated do?

16 A. Correct Life provides skilled nursing
17 services or -- or manages skilled nursing
18 facilities for medically fragile parolees
19 and other wards of the state.

20 Q. Where does it do business?

21 A. Milledgeville.

22 Q. Anywhere else?

23 A. Missouri.

24 Q. Where in Missouri?

25 A. Fulton, Missouri.

1 Q. Is that a town or a county, Fulton?

2 A. It is a town -- city.

3 Q. Are there any employees of Correct Life,
4 Incorporated?

5 A. No.

6 Q. So who employs the nurses?

7 A. A sub -- the -- you mean the staff members
8 of the nurse --

9 Q. The people who provide the actual skilled
10 nursing in -- in Baldwin County, Georgia.

11 A. It's a similar situation to CorrectHealth
12 in that there's a subsidiary and a manag --
13 a managing company. Very similar and
14 analogous to what we just discussed in
15 CorrectHealth.

16 Q. All right. So there's a company that's
17 underneath Correct Life, Incorporated?

18 A. Yes.

19 Q. And what's it called?

20 A. It would be Correct Life in this case
21 Bostick, LLC.

22 Q. And is that just one company Correct Life,
23 Bostick that -- that handles both the
24 Georgia and Missouri?

25 A. No. That would be Correct Life Missouri

and so forth.

2 Q. How many companies are under Correct Life,
3 Incorporated?

4 A. Those two currently, and then there's a
5 similar company called Correct Life, LLC,
6 which has employees that manage the Correct
7 Life subsidiaries.

8 Q. Okay, and that Correct Life, LLC is
9 underneath Correct Life, Incorporated?

10 A. Yes.

11 Q. What does Solum Incorporated, do?

12 A. Solum is a real estate company that is the
13 real estate component of the skilled
14 nursing facilities.

15 Q. So does it actually own real estate in
16 Milledgeville, Georgia or Fulton, Missouri?

17 A. It does.

18 Q. Does it own real estate anywhere else?

19 A. No.

20 Q. How many pieces of property does Solum
21 Incorporated own?

A. I think those two.

23 MR. CLAIBORNE:

24 | Take a quick break.

25 MR. KIRSCH:

1 Huh-huh.

2 MR. CLAIBORNE:

3 We've been going about a hour.

4 THE WITNESS:

5 Let me correct that. Sorry. I
6 don't -- I don't want to forget. Solum
7 does not own the property. There's
8 companies underneath Solum that own the
9 property.

10 BY MR. CLAIBORNE:

11 Q. What's the name of that company?

12 A. Correct Life Missouri Holdings and Bostick
13 Holdings. Those are the two companies that
14 actually own the property, and Solum runs
15 them.

16 Q. Okay.

17 A. All right.

18 Q. Let's take a break.

19 (Break in proceedings.)

20 BY MR. CLAIBORNE:

21 Q. I'm going to ask this question because
22 Triage Holding is the parent company for
23 these various companies such as
24 CorrectHealth East Baton Rouge and the
25 other contracts that are held to provide

1 health care services to inmates or
2 detainees. How many contracts in how many
3 different facilities does Triage Holding or
4 a subsidiary company have where they
5 provide health care to inmates either in
6 jails or prisons?

7 A. Between 40 and 50.

8 Q. And those 40 or 50 locations are all within
9 the states of Georgia or Louisiana as we
10 sit here right now?

11 A. Yes.

12 Q. How many are in Louisiana?

13 A. Approximately ten.

14 Q. And that means that they are approximately
15 30 to 40 in Georgia?

16 A. Yes.

17 Q. How many of those contracts are for
18 prisons, if any at all? And I want to be
19 clear that although it is denominated the
20 East Baton Rouge Parish Prison, it is
21 actually functionally a jail. So setting
22 that aside with the quirk of the name
23 there, do you -- are any of these 40 or 50
24 locations jails?

25 A. The majority of them are jails.

1 Q. And how many are prisons?

2 A. We --

3 Q. If any?

4 A. We have one YDC.

5 Q. One youth detention center?

6 A. And -- yes, and six or eight county/parish
7 prison facilities.

8 Q. And then the rest are jails?

9 A. Yes.

10 Q. Is there any other type of entity other
11 than a youth detention center, a
12 county/parish prison, or a jail?

13 A. There -- we -- we do have one that provides
14 limited services to the -- the prison in
15 Jackson, Georgia, the Georgia Diagnostic
16 and Classification Prison. That's a
17 physician staffing contract only.

18 Q. And what is that contract, the provision of
19 what type of service?

20 A. Physician -- physician services only at
21 that prison.

22 Q. At Jackson?

23 A. Part time -- at Jackson, part-time
24 physician.

25 Q. What does that physician do?

1 A. He's a staff physician there.

2 Q. Does he provide routine medical care there
3 at the Jackson Diagnostic Center or does he
4 also participate in any of the
5 administration of capital punishment that
6 occurs there?

7 A. He's a staff physician there. That's all
8 he does.

9 Q. So he does not participate in the
10 administration of capital punishment?

11 A. Does not.

12 Q. Have I missed any type of -- of entity that
13 is underneath Triage, any type of entity
14 where medical services are being provided?

15 A. No. I think you -- we've covered it all.

16 Q. How many total inmates or detainees are
17 there amongst these 40 or 50 locations in
18 aggregate?

19 MR. KIRSCH:

20 Object to the form. Calls for
21 speculation.

22 You can answer if you know.

23 THE WITNESS:

24 Well, as you know, that's a moving
25 target, but somewhere between 15,000

1 and 25,000.

2 BY MR. CLAIBORNE:

3 Q. So on an average daily population basis, it
4 is somewhere in that 15 to \$25,000 --
5 25,000 number of individuals?

6 A. Yes.

7 Q. So far this year, how many of those
8 individuals have died?

9 A. I can't answer that.

10 Q. How many of those individuals died last
11 year?

12 A. I don't have an answer specifically for
13 that.

14 Q. How many detainees died at the East Baton
15 Rouge Parish Prison in the year 2017?

16 A. Somewhere between five and ten if I recall
17 correctly.

18 Q. What are their names?

19 A. I don't know their names.

20 Q. How many EBR deaths in 2018?

21 A. I don't -- I don't know. I don't have
22 those numbers in front of me. I'd have to
23 look them up.

24 Q. What about any of their names in 2018?

25 A. I don't have that information as well.

1 Q. Year to date 2019 EBR deaths?

2 A. Same answer.

3 Q. What about their names?

4 A. I don't have their -- their names in front
5 of me.

6 Q. Have you ever looked at any of the data
7 maintained by the Bureau of Justice
8 Statistics or any other similar government
9 entity as to the national averages or rates
10 for deaths of incarcerated individuals at
11 jails?

12 A. I'm sure I've read information related to
13 that, but what's your -- I'm sure I've read
14 information either directly or indirectly
15 related to deaths in jails and prisons and
16 in corrections in general.

17 Q. Okay. Well, as we sit here right now, what
18 of that information that you may have read
19 do you recall?

20 MR. KIRSCH:

21 Objection. Vague.

22 THE WITNESS:

23 I mean, come on, you've got to --
24 you've got to be more specific than
25 that.

1 BY MR. CLAIBORNE:

2 Q. Do you know what the average per capita
3 death rate was for individuals who are
4 incarcerated in jails was for the year
5 2017?

6 A. I don't know the exact number. No, I don't
7 know.

8 Q. Do you know that number for 2018?

9 A. I do not know that exact number, no.

10 Q. Well, what vague number do you know?
11 You're saying you don't know an exact
12 number.

13 A. I don't know that 2018 has even been
14 released yet, but I have -- I don't -- I
15 don't know the number.

16 Q. What about 2017?

17 A. I don't know the number.

18 Q. What about 2016?

19 A. I don't know the number, and I'm not going
20 to speculate.

21 Q. Do you know whether or not the number of
22 deaths that occurred at the East Baton
23 Rouge Parish Prison in 2017 was above or
24 below the national average?

25 MS. ABADIE:

1 Object to form.

2 MR. KIRSCH:

3 You can answer if you know.

4 THE WITNESS:

5 I've -- I've read local media
6 reports saying that it's higher -- that
7 it was higher, but that's local media
8 reports. I haven't -- I don't have an
9 opinion on that nor have I been able to
10 independently verify that.

11 BY MR. CLAIBORNE:

12 Q. Has anybody who work or works for any of
13 these CorrectHealth entities, Triage any of
14 the corporations that we've been talking
15 about today analyzed that type of data?

16 A. Analyzed what kind -- what -- what -- what
17 type of data you're talking about?

18 Q. Whether or not the death rates at any of
19 the facilities where you provide services
20 are above or below the national average.

21 Do you track that data?

22 A. We do track that data.

23 Q. You track the data of the number of people
24 who died?

25 A. That is correct.

1 Q. Do you compare that data to any national
2 average?

3 A. We -- we compare it internally to other
4 facilities. We compare it -- you know, we
5 look at it carefully. We scrutinize deaths
6 very carefully in our company.

7 Q. When you say you compare it to other
8 facilities, you mean of the 40 or 50
9 facilities that you have, you might compare
10 --

11 A. Yes.

12 Q. -- the -- the death rate from one of those
13 facilities to another facility where you're
14 providing services?

15 A. Yes.

16 Q. Do you ever compare whether the death rates
17 at facilities that you provide services for
18 are above or below national averages?

19 A. I'm sure I have -- I have in the past,
20 particularly at, you know, national
21 conferences where mortality is discussed in
22 -- in -- in our ongoing continuing medical
23 education that -- that meetings that I
24 attend, conferences that I attend, but most
25 of my time is spent in -- in -- in really

1 understanding health and illnesses and --
2 and -- and -- and -- and spending time
3 educating ourselves and our staff and
4 training our staff on what we can do to
5 improve the health care of our inmates that
6 we -- that are under our care.

7 Q. So as we sit here right now, do you know
8 whether or not an individual is
9 statistically more or less likely to die at
10 a CorrectHealth location as opposed to the
11 national average?

12 A. Well, I know for a fact that many of our
13 facilities have a zero mortality rate, and
14 so in that regard, I think we exceed that.
15 Now, are we exceeding it in every one of
16 our facilities, I -- I don't know that for
17 a fact, but I think, you know, a mortality
18 rate of zero at the majority of our
19 facilities is probably exceeding the
20 national average.

21 Q. Well, at East Baton Rouge Parish Prison,
22 have you had a year where you've had zero
23 fatalities since January 1 of 2017?

24 A. No.

25 Q. And just to be clear, is it your testimony

1 that you have never compared the aggregate
2 of the 40 or 50 locations that
3 CorrectHealth provides services with the
4 national average?

5 A. If I have, it hasn't been recently, and I'm
6 sure I have over the last 20 years or so
7 that I've been doing this.

8 Q. Well, when would that have been?

9 A. When that information was shared publicly
10 at one -- you know, either some reading
11 material or quite possibly at -- at one of
12 our national conferences or trade shows
13 that deal with correctional health care.

14 Q. But that's not something that's done on a
15 regular basis at all, is it, doctor?

16 A. Compare our data to -- I'm sorry. What is
17 not done on a regular basis?

18 Q. The death rate at CorrectHealth facilities
19 versus the national averages is not
20 regularly compared to the national average?

21 A. No, it is not regularly compared.

22 Q. And if that were done, it would be done by
23 you?

24 A. It would be done by some the senior
25 management team within CorrectHealth.

1 Q. Okay. Is there anyone that you pay to do
2 that?

3 A. Specifically that function?

4 Q. Yes.

5 A. No.

6 Q. Other than you, who would be someone who
7 might have done it, albeit irregularly?

8 A. It could have been anyone on our team.

9 Q. Give me the names.

10 A. Any of -- of the staff that would -- that
11 -- that are on our senior management team
12 such as Susie Hatfield, Jean Llovet, Dr.
13 Walter Smith, people of our senior --
14 Yolanda James, Jane Lawrence, Deb Eason,
15 Deborah Eason, and there may be a few
16 others that might have on that -- on
17 occasion been privy to that information,
18 but in truth, what we're trying to do is
19 any time that there's a -- a -- you know,
20 there is an institutional mortality rate in
21 corrections just like they are in nursing
22 homes, hospitals, doctors' practices, and
23 so forth. We're trying to always improve
24 that. That's our goal.

25 Q. How?

1 A. Oh, my gosh, through developing and
2 improving our font of knowledge, our
3 expertise, hiring good people, training
4 them up, orienting them, by making our
5 company aware that -- what -- what are
6 national standards. Our -- our key
7 management personnel, getting them
8 certified as correctional professionals by
9 a deep understanding of -- of -- of -- of
10 -- of national standards. An example would
11 be mental health standards and -- and
12 taking that plunge into learning what the
13 2015 mental health standards for
14 corrections, what's in that brown book,
15 that brown book of accreditation. That's
16 where we spend our time and our energy
17 focused in on -- on learning that level of
18 care.

19 Q. Do you know whether or not the mortality
20 rate at East Baton Rouge Parish Prison went
21 up or down in the two and a half years
22 since CorrectHealth has taken over the
23 contract there?

24 A. I believe it has gone down.

25 Q. Why do you believe that?

1 A. It just -- I think the mortality has gone
2 down.

3 Q. Do you know how many people died in the
4 year 2016 before you-all took over?

5 A. You didn't -- that's three and a half years
6 ago. Your question was in the last two and
7 a half years.

8 Q. Correct. All right. So we've already
9 established you don't know how many people
10 died in those two and a half years since
11 you-all took over, because that was what I
12 just asked you about 2017 where you said
13 five to ten, '18 where you said you didn't
14 know, and '19 where you said you didn't
15 know, right?

16 A. I don't have the exact number.

17 Q. Okay. So we've covered those two and a
18 half years?

19 A. But generally I think it has gone down.

20 Q. Right. So I want to go back to what
21 knowledge. You believe it has gone down,
22 and you took over January 1 of 2017. I
23 want to know how many people do you think
24 died there in 2016?

25 A. I don't have that information.

1 Q. 2015?

2 A. I don't have that information.

3 Q. 2014?

4 A. Nope.

5 Q. So as we sit here right now, the 16 people
6 that have died from January 1 of 2017 to
7 present that I know about, you believe that
8 that is actually a lower death rate than
9 the previous -- than the two and a half
10 years before you-all took over?

11 MR. SCHILLAGE:

12 Object to the form.

13 MR. KIRSCH:

14 I join.

15 You can answer that.

16 THE WITNESS:

17 I -- I don't know what happened
18 before we started. I don't have that
19 information.

20 BY MR. CLAIBORNE:

21 Q. Well, I mean, is that anything that you
22 investigated or looked into before you took
23 over the contract? Would that be data that
24 would be interesting to have before you
25 started providing services somewhere?

1 A. It would be interesting.

2 Q. Well, did you get it?

3 A. I have not.

4 Q. What data did you have about the East Baton
5 Rouge Parish Prison and the health outcomes
6 that were occurring there before you-all
7 took over the contract?

8 A. The information that I had had to do with
9 operations and how health care was being
10 delivered. The statistics that I reviewed
11 were -- first of all, I don't recall three
12 plus years ago what statistics I looked at,
13 but I was -- there was some health care
14 statistics that were shared with me. I
15 just don't recall what they were.

16 Q. Who shared them with you?

17 A. It was someone at the -- it would probably
18 have gone through Marsha Hanlon in all
19 likelihood prior to us starting to provide
20 the services there, and I don't recall what
21 statistics we looked at, but there were
22 definitely some -- there were payroll
23 statistics; there were contracts; there was
24 statistics of how many inmates were at the
25 facilities over time. There was statistics

1 on case load if I recall correctly.

2 Q. What do you mean by, "case load" when you
3 say "case load"?

4 A. Like, how many patients the doctor was
5 seeing, that -- that sort of thing.

6 Q. And from whom did you get that information?

7 A. From Marsha.

8 Q. And from whom did she get that information?

9 A. You'd have to ask Marsha that.

10 Q. Marsha works for you, though, correct?

11 A. No. She was the -- she was employed -- she
12 was the chief -- she was the Director of
13 Finance.

14 Q. Okay.

15 A. There was some -- you know, what she shared
16 with me she -- is the statistical reports
17 that she had at the time, and I don't
18 recall. There may have been mortality on
19 there. I don't -- I don't recall.

20 Q. How did you communicate --

21 A. I remem -- I remember them being fairly
22 rudimentary and -- and -- and what I mean
23 by that, there was not a lot of data that
24 was -- that she shared with me. It might
25 have been collected, but she didn't share

1 with me, maybe because she didn't have it,
2 but it -- it did give me a scope of the
3 volume of activity that was going on there.

4 Q. And how did you communicate with her?

5 A. I met with her.

6 Q. Did she give you written copies of this
7 information?

8 A. She did.

9 Q. Did she email it to you as well or she just
10 handed you written information?

11 A. Some of the information -- I would say the
12 majority of the information I -- I just
13 inspected. Some of it was budgetary in
14 nature. Some of it was actual financial
15 data, some of the statistical reports that
16 -- that -- that she had. Most of it was
17 financial in nature, but some of them had
18 to deal with -- with volume, with numbers
19 with inmates and so forth, and those she
20 shared with me at meetings. She may have
21 given me a copy of them or -- or not. I'm
22 not sure. I did take notes in -- in -- in
23 preparing that contract that we eventually
24 executed.

25 Q. And literally physically where did those

1 notes go? Did you have a yellow or manila
2 folder for Baton Rouge in your office?

3 A. I probably did. I have some handwritten
4 notes in all likelihood.

5 Q. What's the first time that you became aware
6 that there might be an opportunity to
7 provide medical services at the East Baton
8 Rouge Parish Prison?

9 A. I became aware of or I -- I -- I had the
10 opportunity of being contacted by East
11 Baton Rouge by staff members inside the --
12 that were -- that were working inside the facility,
13 by Marsha Hanlon herself for
14 several years before we started, just
15 inquiring -- just inquiring as to how we
16 did things at some of our other facilities,
17 and just specific, just -- just general
18 questions about, you know, how are you
19 doing this; how are you getting your drugs;
20 how you're doing your -- you know, do you
21 have a pharmacy, for example, or pharmacist
22 on staff, just general questions which led
23 to, you know, more operational-line
24 discussions.

25 Q. Who -- who's the first person affiliated

1 with East Baton Rouge Parish Prison or the
2 City of Baton Rouge that you spoke with?

3 A. I don't remember that. I know Marsha was
4 very early on. It was many years ago,
5 several years before we actually started
6 working there.

7 Q. 2014? When?

8 A. I would say more than one year, less than,
9 say, four, five years, somewhere up in that
10 time.

11 Q. Okay.

12 A. I don't know.

13 Q. And what was the original purpose that Ms.
14 Hanlon called you? I assume that she
15 called.

16 A. Well, I don't know if she called us or we
17 called them, but there was some discussion
18 going back and forth, and I may have
19 reached out to her. She may have reached
20 out to me.

21 Q. What was the original cause of that
22 communication to start?

23 A. I don't recall, honestly I don't, and I
24 believe it had something to do -- I
25 remember pharmacy being one issue that

1 there was some outreach to us on, and there
2 was another issue, you know, how did you do
3 -- and this is common in our industry, you
4 know, how do you solve this problem, how do
5 you solve this problem, and that's just any
6 area of health care, and that outreach,
7 that operational outreach led to in all
8 likelihood a phone call from me inquiring,
9 you know, you know, would the City
10 entertain, you know, privatizing their --
11 their health services.

12 Q. And when did you first make that offer and
13 to whom did you make it?

14 A. Marsha was there. I don't know who else
15 was in the meeting. I remember she being
16 the one common denominator in almost all of
17 our meetings in -- in Baton Rouge prior to.
18 When did it occur? I'm not sure.

19 Q. And this was an actual face-to-face
20 meeting?

21 A. Huh-huh.

22 Q. Is that a yes?

23 A. Yes.

24 Q. That occurred in the City of Baton Rouge or
25 near there?

1 A. Yes.

2 Q. And you travelled to Baton Rouge for the
3 purpose of that meeting?

4 A. Yes.

5 Q. Who else came with you?

6 A. I don't know that anybody came with me on
7 that first meeting.

8 Q. Who all -- who all was in the meeting?

9 A. Like I said, it was so long ago, there
10 could have been -- no, I don't know want to
11 speculate. I don't know. There could have
12 been somebody working with me or not. I
13 don't know. Could have been one of my
14 managers that were working with me. Could
15 have been Miss -- Susie; could have been
16 Jean; could have been John. It could have
17 been a lot of -- a lot of folks.

18 Q. Was this before or after HMA or Health
19 Management Associates had come through and
20 done an audit of the East Baton Rouge
21 Parish Prison and the medical services that
22 were being provided there?

23 A. Well, the first meeting was -- would have
24 been a few years before we started. So I
25 think that would probably predate that

1 activity, but I don't know the exact
2 timeline. I don't know the exact -- HMA's
3 timeline, though. It would have been maybe
4 two or three years before that that we
5 started. So I don't know what their
6 timeline is, but that's -- that's -- I
7 believe, which would have been what, five
8 to six, seven years ago --

9 Q. Well, the audit --

10 A. -- I think.

11 Q. -- that I'm referring to that HMA came
12 through and did was in February of 2016.
13 I'm not referring to the BRAF report that
14 had occurred a little bit before that. So
15 what you're saying is that you believe you
16 started -- you were having these
17 conversations a couple of, two or three
18 years before February of 2016. Does that
19 sound right to you?

20 A. Yep, sounds right, yes.

21 Q. All right, and other than Ms. Hanlon, who
22 else do you recall speaking with who was
23 affiliated with either the East Baton Rouge
24 Parish Prison or the City of Baton Rouge
25 prior to -- let's say, prior to February of

1 2016?

2 A. Prior to February of 2016?

3 Q. Prior to the HMA audit.

4 A. I may have -- I toured the facility once.

5 Q. And I want to know what date that was and
6 who was with you.

7 A. I have no idea, but it was associated -- it
8 was in that meeting that I went, hey, I can
9 I go look at -- can I tour the prison, and,
10 of course, it was yes, and I probably went
11 there and maybe met the Warden and got in
12 -- got a tour of the medical department.

13 Q. Was that the first time you ever actually
14 physically set foot in the East Baton Rouge
15 Parish Prison?

16 A. Yes, yes, it was several years ago.

17 Q. You never saw it while you were a student
18 at LSU?

19 A. No, did not.

20 Q. I'm sorry.

21 A. Didn't know where it was.

22 Q. What was your impression of the facility
23 when you first toured it?

24 A. You know, a typical jail in Louisiana was
25 my impression.

1 Q. Why do you say "a typical jail in
2 Louisiana" as opposed to a typical jail?

3 A. I don't -- well, all I can say is a typical
4 jail. No -- no reason to be in Louisiana
5 other than the fact that that's where I'm
6 doing -- I have -- we have cluster of
7 facilities that we manage here. You know,
8 there are certain architectural elements
9 that are kind of regional in -- in -- in a
10 way.

11 Q. Such as?

12 A. Nomenclature is kind of regional such as a
13 parish not a county; such as a warden and
14 not a jail administrator; such as the
15 physical layout of a certain clinic area,
16 such as intake, those things. When you --
17 when you're walking through many of these
18 facilities, you -- you recognize certain
19 things.

20 Q. Did the facility strike you as being old?

21 A. Yeah. It is.

22 Q. Rundown -- rundown?

23 MR. SCHILLAGE:

24 Object to the form.

25 THE WITNESS:

1 I don't know if I would say
2 rundown. What does that mean?

3 BY MR. CLAIBORNE:

4 Q. Well, what would you say?

5 A. I would say old.

6 Q. Do you believe that the Parish of East
7 Baton Rouge needs a new physical facility
8 for the jail?

9 MR. SCHILLAGE:

10 Object to the form.

11 MR. KIRSCH:

12 I join.

13 You can answer.

14 THE WITNESS:

15 I can tell you this, I would love
16 to work in a brand new, shiny,
17 sparkling facility that's spacious and
18 -- and newly constructed, but I would
19 -- I can say that about the majority of
20 the places we work.

21 BY MR. CLAIBORNE:

22 Q. Are there any elements about the layout or
23 design or age of the East Baton Rouge
24 Parish Prison that you believe impact your
25 ability to provide patient care there?

1 A. On the contrary. I think the physical
2 plant being smaller and more intimate
3 allows for certain efficiencies,
4 specifically the fact the close proximity
5 of intake and the medical department
6 literally being almost, like, across the
7 hall is -- is an advantage to -- for Baton
8 Rouge, because it allows -- it allows that
9 -- that intimacy and -- or that closeness
10 of intake and medical, allows for some
11 efficiencies in staffing, particularly in
12 -- in help when you need some help, like,
13 intake needs help, it's -- it's not, you
14 know -- you know, a five-minute walk to get
15 there. That is an advantage. The
16 disadvantage in the design and layout is
17 just the -- the numerous different
18 buildings on the campus and having to -- to
19 go to many locations to -- to -- to -- to
20 -- to reach the -- the inmates from a
21 nursing perspective. That's just a -- can
22 be a logistical challenge particularly when
23 you're going outdoors from one building to
24 another building in inclement weather, for
25 example. Those -- those are some of the

1 challenges we face, but the flip side of
2 that is it's common in our industry.

3 Q. How many times have you personally been to
4 the East Baton Rouge Parish Prison?

5 A. Somewhere between 25 and 50 times.

6 Q. How many times have you walked up and down
7 the M or N Lines?

8 A. Three to five, six, seven times maybe. I
9 get those two confused, though.

10 Q. Well, I was talking about either the M or
11 the N Lines.

12 A. Okay.

13 Q. Do you confuse those lines with any other
14 part of the East Baton Rouge Parish Prison?

15 A. No. I think I know what you're talking
16 about, yeah, huh-huh.

17 Q. What was your impression of the M or N
18 Lines the first time you walked down them?

19 A. It's an old jail by design.

20 Q. Was it loud?

21 A. No.

22 Q. Smell bad?

23 A. Little bit.

24 Q. Inmates throwing feces?

25 A. Nope.

1 Q. Shouting?

2 A. On occasion.

3 Q. Is there anything about the design or
4 layout out of M or N Lines that you believe
5 impacts the ability to provide patient
6 care?

7 A. I think we can provide patient care given
8 most architectural layouts of -- of -- of
9 facilities. In fact, I don't -- I've
10 encountered only once where we actually
11 couldn't provide patient care because of a
12 logistical problem, but that wasn't in
13 Baton Rouge.

14 Q. Would you agree with me that some layouts
15 are better than others for the purpose of
16 providing patient care?

17 A. I think certain layouts make it easier to
18 provide patient care.

19 Q. Do the M and N Lines fall under that easier
20 category?

21 A. They're not -- it's not difficult. You
22 just got to walk up and down the corridor
23 to provide that care, and that's common in
24 our industry.

25 Q. Do you believe that the cells on the M and

1 N Lines have suicide risks by virtue of
2 their design?

3 MR. SCHILLAGE:

4 Object to the form.

5 MR. KIRSCH:

6 I join.

7 THE WITNESS:

8 I -- I don't have an opinion on
9 that, because I didn't inspect them. I
10 don't -- and I don't recall them that
11 closely, but off the top of my head,
12 no.

13 BY MR. CLAIBORNE:

14 Q. Have you ever had a conversation with
15 anyone about the M and N Lines being
16 suicide risks by virtue of the design of
17 the cells or the layout of the halls?

18 A. I don't recall having that specific
19 conversation about that, but I know those
20 conversations have taken place.

21 Q. Amongst the --

22 A. Not by me. My staff I'm sure.

23 Q. Like who?

24 A. For example, I know there was a
25 conversation brought up with our mental

1 health team, not necessarily from an
2 architectural perspective, but about
3 suicidality in general in those units.

4 Q. And who would have been part of that
5 conversation? When you refer to "our
6 mental health team," i want to get some
7 names or job titles.

8 A. It would have been Courtney Eichelberger is
9 her last name I believe. It would have
10 been Kathy Schley. I'm sure there would
11 have been some involvement with Dr.
12 Blanche. Most recently Donna Alway
13 (phonetic) had a -- some conversation about
14 it. She was a LCSW working for us. Those
15 -- those folks.

16 Q. And when would those conversations have
17 occurred?

18 A. It could have occurred any time in the last
19 two and a half years that we've been
20 providing care there. I remember -- I
21 recall sitting in on a meeting discussing
22 policy and procedure, you know, jail policy
23 and procedure, and where that issue came
24 up, and it was discussed.

25 Q. Who was part of that meeting?

1 A. The warden and the -- the same. Courtney
2 was involved in that meeting.

3 Q. Was that at the actual facility?

4 A. Yes.

5 Q. When was that?

6 A. Oh, I want to say maybe the beginning of
7 '18, the beginning, right around I want to
8 say maybe a year or so after we had been
9 there possibly. I don't know the exact
10 date, but generally speaking, it wasn't
11 early on, and it wasn't recently. So if I
12 had to guess sometime in '18.

13 Q. Let's jump back to where we were --

14 A. Huh-huh.

15 Q. -- which was talking about the lead up
16 before you actually got the contract --

17 A. Huh-huh.

18 Q. -- at East Baton Rouge.

19 A. Sure.

20 Q. And we got on this line because you said
21 you had gone on a tour of that facility?

22 A. Yes, yes.

23 Q. So how did these conversations develop to
24 where you ultimately submitted a proposal
25 to the City of Baton Rouge to provide

1 medical and mental health care services at
2 the East Baton Rouge Parish Prison?

3 A. The first time I visited, my -- my take-
4 home message from that -- from that meeting
5 and that tour early on that occurred a few
6 years before we started was that they were
7 looking for ideas, but they weren't ready
8 to consider bringing in a private company
9 to -- to run -- to manage the facility, but
10 they were looking for ideas, and so it was
11 really more of a sharing -- sharing of
12 ideas, but there was a lot of interest on
13 my -- on my behalf of providing the service
14 there because that's what I do, and that's
15 -- that's right in -- in our backyard so to
16 speak, right.

17 Q. Did you feel like you could provide better
18 services than were being provided?

19 A. I feel that way about what we do in general
20 in most places.

21 Q. So is the answer to my question yes?

22 A. I believe that we're one of the best
23 correctional health care providers out
24 there. So by default, the answer is yes.

25 Q. I was asking specifically as to this

1 facility, do you feel as though from what
2 you had observed that you thought your
3 company could provide superior services
4 than what was being provided by PMS?

5 A. I can't answer that specifically. I can
6 answer it generally speaking.

7 Q. I'm not asking generally. I'm asking based
8 off of what you saw or the conversation and
9 the times that you were at the East Baton
10 Rouge Parish Prison, did you feel that
11 CorrectHealth could do a better job than
12 was being done by the prior medical
13 provider, which was PMS?

14 A. When I was taking those tours, I did not
15 evaluate, critically evaluate what was
16 being provided there at the time I was
17 going on those tours. It was just not part
18 of my scope. I was there to look at the
19 facility just to -- just to see it, No. 1,
20 to kind of get some understanding
21 operationally as to what they were doing
22 and to really offer some help because there
23 was a lot of questions regarding pharmacy
24 and -- and how we -- we managed our
25 pharmaceuticals.

1 Q. Did you ever develop an opinion as to
2 whether or not CorrectHealth could provide
3 superior services in your opinion than that
4 which was being provided by PMS at any time
5 before January 1, 2017?

6 A. I'm sure there are some things that I
7 thought we could do better. Off the top of
8 my head, do I remember specifics? No, but
9 I'm sure there were some things, and I was
10 sure there some things that -- that I
11 thought was -- was pretty interesting in
12 how they -- how they were accomplishing
13 that task given these -- given their
14 circumstances, right. You know, so I'm
15 sure there was a little of both of those
16 things going on, but I like to think that
17 we're the best in the business. At least I
18 hope so anyway.

19 Q. What deficiencies, if any, did you identify
20 or have the impression existed prior to
21 January 1 of 2017, insofar as the medical
22 care that was being provided at the East
23 Baton Rouge Parish Prison?

24 A. Well, I can say this, I have no opinion as
25 to what deficiencies that were there, but

1 our approach was slightly different than
2 the -- the approach that was utilized prior
3 to us starting.

4 Q. In what way?

5 A. I thought that there were some efficiencies
6 that -- that could be squeezed into their
7 operation, and I -- I wanted to bring in
8 more RN capacity to the facility.

9 Q. Why?

10 A. I just feel like we -- RN -- RNs in the
11 clinic would -- would benefit a lot of the
12 trips to the emergency department that
13 would be going on. I think they would be
14 better at triaging and not relying on the
15 emergency department for a lot of the care.

16 Q. What efficiencies did you feel that
17 CorrectHealth could bring to the system?

18 A. Well, I think that they could hopefully
19 decrease some of the off -- offsite
20 sendouts, given our -- given our use of
21 RNs. The other efficiencies was the
22 utilization of 340B pricing for
23 pharmaceuticals and the use of -- and
24 utilizing the charity hospital system for
25 HIV care would result in some savings on

1 the pharmaceutical side. Other
2 efficiencies is -- is that, you know,
3 employees of East Baton Rouge had high --
4 very high benefit costs in health care,
5 particularly in private health care, those
6 benefits costs aren't as high as some of
7 the, you know, self-operated facilities or
8 essentially, you know, local government-run
9 health care operations. In fact, the
10 benefit costs for -- for -- for the
11 employees in East Baton Rouge were almost
12 50 percent of their salaries, and ours was
13 closer to 20 percent. So that was some
14 efficiencies we could squeeze out of -- of
15 the -- of the current operation, which
16 would allow for use of those funding for
17 some of the -- for the RNs, for example,
18 hiring more RNs in the clinic area and some
19 other staff tweaking that we may have done.
20 I think we added some nurse practitioner
21 support there as well.

22 Q. Overall, is it your understanding as we sit
23 here right now that when CorrectHealth took
24 over the contract in January of 2017 that
25 the total number of individuals providing

1 care at the East Baton Rouge Parish Prison
2 increased or decreased?

3 A. I think it increased.

4 Q. By how much?

5 A. Well, I know there were several vacancies
6 there. I don't know exactly how many, and
7 when we started, we were able to fill those
8 vacancies and a few other staffing changes
9 we made. So it -- it increased -- you
10 know, I don't -- I'd be speculating as to
11 the exact percentage, but I know just
12 getting -- getting the positions filled and
13 -- and tweaking the other staffing doing
14 the other -- executing the other staffing
15 changes we made made an impact.

16 Q. How do you know that?

17 A. Well, I don't know it specifically, but the
18 feedback from the staff was that it was an
19 overall improvement that they felt.

20 Q. On December 31 of 2016, how many vacancies
21 were unfilled?

22 A. I don't recall exactly, but I remember
23 there being several.

24 Q. How long did it take CorrectHealth to fill
25 those vacancies?

1 A. I don't know that our staffing plan was
2 exactly theirs. My -- my guess was that we
3 -- we did a pretty good job of -- of
4 staffing early on. So I don't know a
5 better way of saying that we -- we -- we
6 filled those vacancies, but our staffing
7 plan was executed pretty well in January.

8 Q. And sometime prior to January 1 of 2017,
9 you developed the opinion that you thought
10 CorrectHealth could make a profit by having
11 the contract at East Baton Rouge Parish
12 Prison, right?

13 A. We -- yes, we're a for-profit company.

14 Q. And, in fact, you have made a profit at the
15 East Baton Rouge Parish Prison in each year
16 that you have provided services there?

17 A. Yes.

18 Q. Unlike the facilities in Tennessee and
19 Kentucky that you decided to no longer
20 provide services to, the East Baton Rouge
21 Parish Prison is carrying its weight at
22 corporate, right?

23 A. It is.

24 Q. In the year 2017, how much profit was made
25 at the East Baton Rouge Parish Prison?

1 A. I don't have that specific.

2 Q. Was it \$1.00? Was it \$500,000? Was it a
3 million dollars?

4 A. I -- I don't -- I don't have that number.

5 Q. Was it closer to \$1.00 or closer to a
6 million dollars?

7 A. In general we try to get -- we -- our goal
8 is six, eight percent profit margin.

9 Q. Six to eight percent?

10 A. Huh-huh.

11 Q. Is that a yes?

12 A. That is correct, yes.

13 Q. Do you know whether or not East Baton Rouge
14 overperformed or underperformed in that
15 range in the calendar year 2017?

16 A. I don't know. I'd have to look that up.

17 Q. Who would know?

18 A. Probably the finance -- someone in the
19 Finance Department could look it up. They
20 wouldn't know off the top of their head.
21 No one would know.

22 Q. Give me --

23 A. I don't know. No one would know. That
24 information is there, and we could probably
25 find that out, but my guess it's in that --

1 somewhere north of five and below ten.

2 Q. What about calendar year 2018 in terms of
3 profit at East Baton Rouge?

4 A. Same answer, somewhere north of five and
5 below ten percent, and that would be a
6 pretty close number.

7 Q. And what about so far for the year 2019, is
8 this information, is it measured on a
9 monthly basis or is it on an annual basis?

10 A. Well, we're doing it -- we do it
11 semi-annual, so we're just now almost to
12 the point of starting to report for the
13 first half of '19. I don't have -- they're
14 not -- I -- I haven't seen it yet.

15 Q. And since you got this contract started
16 January 1 of '17, would you then measure it
17 through July 1 of -- is that your budget
18 year for EBR?

19 A. We are on a calendar year. We're on a
20 calendar year system.

21 Q. Is that true for all your facilities?

22 A. Yes, the companies, yeah. Now, for -- we
23 may start at a different time, but during
24 the year, the contracts renew all
25 throughout the year, but our reporting goes

1 | on a calendar basis.

2 Q. And when you say, "our reporting," you mean
3 CorrectHealth?

4 A. CorrectHealth.

5 Q. And insofar --

6 A. You want to take a break? I'm going to
7 need a break soon anyway.

8 Q. Well, let's just take a break.

A. Yeah, let's take a break.

10 | (Break in proceedings.)

11 BY MR. CLAIBORNE:

12 Q. With respect to the actual contract at East
13 Baton Rouge Parish Prison, a certain amount
14 of money is paid on an annual basis to
15 Correct -- to CorrectHealth East Baton
16 Rouge, correct?

17 A. Yes. Yes.

18 Q. And is that money paid out in 12
19 installments over the course of the year or
20 is it paid out some other way?

21 A. It's monthly, monthly invoice.

22 Q. And so essentially there is one pot of
23 money from which the cost to provide
24 patient care is drawn, correct, for East
25 Baton Rouge Parish Prison?

1 A. No.

2 Q. What other pots of money are there that the
3 cost to provide care at East Baton Rouge
4 Parish Prison is drawn?

5 A. Well, for example, our services don't cover
6 inpatient care and offsite specialty care.

7 Q. Who pays for that?

8 A. The Department of Corrections I believe
9 pays for the majority of that, and then
10 some of that is paid for, small amount is
11 paid for by the City/Parish.

12 Q. Who else provides any funding for the
13 provision of inmate care at the East Baton
14 Rouge Parish Prison?

15 A. The Sheriff's Office might provide funding.
16 For example, some of the re-entry services
17 that occur, you know, discharge planning I
18 think is provided in a separate contract
19 for Capital Area, for example, that
20 provides some sort of discharge planning,
21 re-entry planning, if you will, and there
22 may be some other, but by far the majority
23 of the on-site care is paid for by us.

24 Q. And CorrectHealth only receives funding
25 from the City of Baton Rouge?

1 A. Yes.

2 Q. Okay. So if somebody else is being paid to
3 provide some other service, that's not
4 money that cycles through CorrectHealth?

5 A. No.

6 Q. Okay, and CorrectHealth has certain things
7 under its contract that it is obligated to
8 provide at the East Baton Rouge Parish
9 Prison, correct?

10 A. Yes.

11 Q. And whatever CorrectHealth spends on
12 providing those services comes from the
13 money that CorrectHealth receives from the
14 Parish?

15 A. Yes.

16 Q. And whatever CorrectHealth spends to
17 provide those services, it spends, correct?

18 A. Yes.

19 Q. And whatever is not spent at the end of the
20 year, CorrectHealth retains as profit?

21 A. I guess you could say that, yes.

22 Q. Well, what else would it be if it were left
23 over at the end of the year?

24 A. I answered your question.

25 Q. You answered my question that the money

1 that's left over at the end of the year is
2 profit, correct?

3 A. Yes.

4 Q. And so every dollar that gets spent on
5 providing the services at East Baton Rouge
6 Parish Prison is not available to be profit
7 at the end of the year, correct?

8 A. Yes.

9 Q. There's a direct dollar-for-dollar ratio
10 there, correct?

11 A. Yes.

12 Q. Are there other facilities that
13 CorrectHealth provides service at that do
14 not have that type of financial structure?

15 A. Yes.

16 Q. And where is that?

17 A. Well, some facilities, we mentioned one
18 earlier, we may engage our services for,
19 like, a physician services based on a
20 hourly reimbursement model. Some it's for
21 an unique fee structure to do a particular
22 task. Some facilities will have a shared
23 risk arrangement for some component of the
24 services. For example, shared risk in
25 pharmacy, shared risk in offsite care.